

## Message Text

PAGE 01 STATE 090742

45

ORIGIN EPA-04

INFO OCT-01 EUR-12 IO-13 ISO-00 ACDA-10 CEQ-01 CIAE-00

DOT-00 HEW-06 HUD-02 INR-07 INT-05 L-03 NSAE-00

NSC-05 NSF-02 OIC-02 PA-02 PM-04 PRS-01 SAJ-01 OES-06

SP-02 SS-15 TRSE-00 USIA-15 FEAE-00 AGR-10 /129 R

DRAFTED BY EPA/PM:SDAVIS;JBUTLER

APPROVED BY EUR/RPM:ESCAMPBELL

EPA:RETRAIN

EPA/PM:PABRANDS

EPA/PM:RNGANSE

EPA/OIA:ECOTSWORTH

EPA/CCMS:FAHARRIS

DOT:LKNAPP (INFO)

OES/ENP/EN:HSPIELMAN (INFO)

----- 077228

R 150135Z APR 76

FM SECSTATE WASHDC

TO ALL NATO CAPITALS

INFO USMISSION OECD PARIS

USMISSION GENEVA

UNCLAS STATE 090742

E.O. 11652: N/A

TAGS: CCMS, SENV

SUBJECT: CCMS: APRIL 27-28 PLENARY - US ROUND

-- TABLE PRESENTATION

1. FOLLOWING TEXT IS PART II OF PLANNED US ROUND TABLE  
PRESENTATION AT UPCOMING CCMS PLENARY. PART I BEING  
TRANSMITTED SEPTTEL.

2. REQUEST EMBASSY PASS TEXT TO APPROPRIATE HOST COUNTRY  
UNCLASSIFIED

PAGE 02 STATE 090742

CCMS COORDINATOR.

3. REQUEST USNATO CIRCULATE TEXT, AS APPROPRIATE, TO  
ALLIED DELS AND NATO IS.

(BEGIN TEXT OF SECTION TWO)

## II. THE APPROACH OF THE UNITED STATES

-- IN THE UNITED STATES, PROTECTION OF PUBLIC HEALTH AND WELFARE IS ACCOMPLISHED THROUGH REGULATORY DECISIONS AT THE FEDERAL, STATE AND LOCAL LEVELS. A BRIEF EXAMINATION OF LEGISLATIVE AND ADMINISTRATIVE ACTIVITIES AT THE FEDERAL LEVEL WILL SERVE TO DEMONSTRATE HOW THE UNITED STATES HAS ATTEMPTED TO COPE WITH ENVIRONMENTAL DECISION MAKING IN THE FACE OF IMPERFECT INFORMATION.

### -- A. LEGISLATIVE ACTIONS

-- A GREAT DEAL OF THE ENVIRONMENTAL DECISION MAKING AT THE FEDERAL LEVEL IN THE U.S. OCCURS LEGISLATIVELY RATHER THAN THROUGH THE ACTIONS OF ANY PARTICULAR ADMINISTRATIVE AGENCY. CONGRESSIONAL STATUTES PROVIDE GUIDANCE ON BOTH WHAT WILL BE REGULATED AND THE DEGREE OF DISCRETION AND FLEXIBILITY THAT THE ENVIRONMENTAL PROTECTION AGENCY AND OTHER ADMINISTRATIVE BODIES WILL HAVE IN ESTABLISHING ENVIRONMENTAL POLICIES AND STANDARDS. THE CONGRESS ESTABLISHES BOTH THE GROUND RULES AND THE BROAD FRAMEWORK WITHIN WHICH ADMINISTRATIVE AGENCIES MUST FUNCTION.

-- ANOTHER IMPORTANT POINT IS THAT THE U.S. OPERATES UNDER SEVERAL LEGISLATIVE AUTHORITIES RATHER THAN JUST ONE. SEPARATE LEGISLATION EXISTS FOR DIFFERENT TYPES OF ENVIRONMENTAL PROBLEMS, AND GUIDANCE FROM THE CONGRESS DIFFERS SIGNIFICANTLY FROM ONE PROBLEM TO ANOTHER. THESE DIFFERENCES ARE TO SOME EXTENT A FUNCTION OF THE PARTICULAR CONGRESSIONAL COMMITTEES AND PUBLIC INTEREST GROUPS RESPONSIBLE FOR THE VARIOUS PIECES OF ENVIRONMENTAL LEGISLATION. HOWEVER, SUCH DIFFERENCES ALSO REFLECT THE FACT THAT ENVIRONMENTAL PROBLEMS THEMSELVES OFTEN VARY IN NATURE, SO THAT DIFFERENT APPROACHES ARE CALLED FOR IN SOLVING THEM.

UNCLASSIFIED

PAGE 03 STATE 090742

ADDITIONALLY, AS MORE IS LEARNED ABOUT A PARTICULAR PROBLEM OR AS EXPERIENCE REVEALS THE WEAKNESS OF PARTICULAR APPROACHES, CHANGES ARE MADE IN LEGISLATION SO THAT THE APPROACHES TO ENVIRONMENTAL PROBLEMS TEND TO BE EVOLUTIONARY IN NATURE.

-- FOR EXAMPLE, IN THE CASE OF WATER POLLUTION CONTROL, THE U.S. APPROACH PRIOR TO 1972 WAS TO BASE INDIVIDUAL DISCHARGERS' EFFLUENT LIMITATIONS ON AMBIENT WATER QUALITY GOALS. THIS MEANT THAT EACH DISCHARGER'S REQUIREMENTS WERE A FUNCTION OF (A) THE ASSIMILATIVE CAPACITIES OF THE WATER BODY INTO WHICH IT DISCHARGED AND (B) THE WATER QUALITY OBJECTIVES OF THE COMMUNITY OR REGION IN WHICH THE

DISCHARGER WAS LOCATED. THIS APPROACH WAS AIMED AT PUTTING FLEXIBILITY INTO THE STANDARDS AND INSURING THAT THE TRADEOFFS BETWEEN THE COSTS OF POLLUTION CONTROL AND THE BENEFITS OF CLEANER WATER COULD BE RESOLVED AT THE LOCAL LEVEL WHERE THESE COSTS AND BENEFITS HAD THEIR GREATEST IMPACT. UNFORTUNATELY, THIS APPROACH WAS NOT SUCCESSFUL. ONE OF THE MAJOR DRAWBACKS WAS THE INABILITY OF THE ADMINISTERING AGENCIES TO ESTABLISH CAUSE AND EFFECT RELATIONSHIPS BETWEEN WATER QUALITY AND THE EFFLUENTS OF VARIOUS DISCHARGERS. IT WAS EVEN MORE DIFFICULT TO RESOLVE IN AN EQUITABLE MANNER THE QUESTION OF HOW MUCH REDUCTION SHOULD BE REQUIRED OF EACH INDIVIDUAL DISCHARGER WITHIN A SINGLE WATER BASIN.

-- BECAUSE OF THESE AND OTHER DIFFICULTIES, THE FEDERAL WATER POLLUTION CONTROL ACT WAS AMENDED IN 1972. THE 1972 AMENDMENTS CALL FOR A TWO-TIERED APPROACH. UNIFORM NATIONAL STANDARDS FOR VARIOUS CLASSES OF DISCHARGERS ARE REQUIRED AS A MINIMUM LEVEL OF CONTROL. THESE STANDARDS ARE BASED ON TECHNOLOGY RATHER THAN ON WATER QUALITY. IN ESTABLISHING THESE STANDARDS THE EPA HAS THE FLEXIBILITY OF CONSIDERING COSTS ALONG WITH OTHER FACTORS SUCH AS THE AGE AND SIZE OF PLANTS (IN THE CASE OF INDUSTRIAL DISCHARGERS) AND NON-WATER QUALITY RELATED ENVIRONMENTAL IMPACTS (INCLUDING ENERGY IMPACTS). AS A SECOND TIER TO THIS APPROACH, THE AMENDMENTS ALLOW FOR MORE STRINGENT EFFLUENT LIMITS TO BE SET IN INDIVIDUAL CASES IF THE UNCLASSIFIED

PAGE 04 STATE 090742

FORM TECHNOLOGY STANDARDS ARE INADEQUATE TO ASSURE ACHIEVEMENT OF WATER QUALITY STANDARDS. THE WATER QUALITY STANDARDS ARE ESTABLISHED ON A REGIONAL BASIS BY THE STATES. ALTHOUGH THESE STANDARDS REQUIRE EPA FINAL APPROVAL, THERE STILL IS ENOUGH FLEXIBILITY IN THE LAW TO ALLOW DIFFERENT REGIONS OF THE COUNTRY TO ESTABLISH DIFFERENT STANDARDS DEPENDING ON LOCAL CONDITIONS AND PREFERENCES. SIGNIFICANT IN THIS APPROACH IS THE FACT THAT COSTS CAN BE TAKEN INTO ACCOUNT IN THE PROCESS OF ESTABLISHING WATER QUALITY STANDARDS. THUS, UNDER THE LAW AS IT NOW STANDS, THE U.S. HAS A HYBRID APPROACH OF WATER POLLUTION CONTROL. ON ONE HAND, UNIFORM TECHNOLOGY-BASED STANDARDS MUST BE MET. ON THE OTHER HAND, CASE-BY-CASE FLEXIBILITY IS ALLOWED WHERE WATER QUALITY STANDARDS DICTATE TIGHTER LIMITATIONS. COSTS CAN BE CONSIDERED IN SETTING BOTH THE UNIFORM TECHNOLOGY STANDARDS AND THE LOCAL WATER QUALITY STANDARDS. FURTHERMORE, IT IS SIGNIFICANT THAT THE TEST THAT IS REQUIRED IN REGARD TO COSTS IS A SOMEWHAT LOOSE TEST OF REASONABLENESS RATHER THAN A STRICT BALANCING OF COSTS AND BENEFITS.

-- THE SITUATION IN THE CASE OF AIR POLLUTION CONTROL IS

QUITE DIFFERENT. THE CLEAN AIR ACT REQUIRES THE  
; UNCLASSIFIED  
ESTABLISHMENT OF NATIONAL PRIMARY AMBIENT AIR QUALITY  
STANDARDS BASED ENTIRELY ON HEALTH EFFECTS DATA. IN  
CONTRAST TO THE WATER ACT, TECHNOLOGY AND ECONOMIC DATA  
ARE NOT TO BE CONSIDERED IN SETTING THE NATIONAL AIR QUAL-  
ITY STANDARDS. THIS IS A CASE WHERE THE DECISION MAKER  
(THE CONGRESS IN THIS CASE) MADE THE JUDGMENT THAT THE  
PROTECTION OF PUBLIC HEALTH WAS MORE IMPORTANT THAN THE  
ECONOMIC PENALTIES ASSOCIATED WITH MEETING THE STANDARDS.  
AN ADDITIONAL DISTINCTION IS THAT, IN THE WATER ACT, AM-  
BIENT WATER QUALITY STANDARDS ARE SET ON A REGIONAL BASIS  
AND MAY DIFFER FROM ONE RIVER BASIN TO ANOTHER, WHILE UNDER  
THE CLEAN AIR ACT THE AMBIENT AIR QUALITY STANDARDS ARE  
SET AT THE FEDERAL LEVEL AND ARE UNIFORM NATIONWIDE.

-- THE CLEAN AIR ACT REQUIRES NATIONAL TECHNOLOGY-BASED  
STANDARDS (SUCH AS THE WATER ACT REQUIRES) ONLY IN THE  
CASE OF NEW STATIONARY (NONAUTOMOTIVE) SOURCES. UNDER THE  
UNCLASSIFIED

PAGE 05 STATE 090742

CLEAN AIR ACT, THE ENVIRONMENTAL PROTECTION AGENCY CAN  
ESTABLISH NATIONAL EMISSION STANDARDS FOR NEW STATIONARY  
SOURCES BASED ON THE BEST AVAILABLE TECHNOLOGY FOR VARIOUS  
POLLUTANTS ON AN INDUSTRY-BY-INDUSTRY BASIS. IN SETTING  
THESE STANDARDS, COSTS CAN BE CONSIDERED BUT ONLY IN THE  
CONTEXT OF ECONOMIC FEASIBILITY. COSTS ARE NOT TO BE CON-  
SIDERED IN THE CONTEXT OF A COST-BENEFIT ANALYSIS.

-- IN THE CASE OF EXISTING STATIONARY SOURCES, EMISSION  
LIMITATIONS ARE ESTABLISHED BY THE INDIVIDUAL STATES.  
EACH STATE MUST DEVELOP AN IMPLEMENTATION PLAN WHICH WILL  
ASSURE ATTAINMENT OF THE NATIONAL AMBIENT AIR QUALITY  
STANDARDS. ASIDE FROM THE REQUIREMENT FOR ALL NEW SOURCES  
TO MEET THE NATIONAL TECHNOLOGY-BASED EMISSION STANDARDS  
MENTIONED ABOVE, CONSIDERABLE DISCRETION IS LEFT TO THE  
STATES AS TO HOW TO MEET THE AMBIENT STANDARDS. THUS, ONE  
STATE MAY BE ABLE TO MEET THE AMBIENT STANDARDS BY SETTING  
VERY STRICT LIMITS ON EMISSIONS FROM EXISTING POWER PLANTS  
AND RELATIVELY LAX LIMITS ON EXISTING STEEL MILLS.  
ANOTHER STATE MIGHT DO JUST THE OPPOSITE.

-- ANOTHER MAJOR DISTINCTION OF THE CLEAN AIR ACT IS IN  
THE CASE OF AUTOMOTIVE STANDARDS. IN THIS CASE THE CON-  
GRESS USED ITS LEGISLATIVE AUTHORITY TO ESTABLISH ACTUAL  
EMISSION STANDARDS, RATHER THAN DELEGATE SUCH RESPONSI-  
BILITY TO THE ENVIRONMENTAL PROTECTION AGENCY. THIS  
AMOUNT OF CONGRESSIONAL SPECIFICITY IS ATYPICAL FOR U.S.  
ENVIRONMENTAL LEGISLATION, SINCE CONGRESS USUALLY REQUIRES  
EPA OR THE STATES TO SET SPECIFIC STANDARDS.

-- THESE ARE ONLY A FEW OF THE KEY ASPECTS OF THE WATER

POLLUTION CONTROL ACT AND THE CLEAN AIR ACT. HOWEVER,

THIS DISCUSSION SHOULD INDICATE THE VARIETY OF LEGISLATIVE APPROACHES THAT THE U.S. HAS ADOPTED IN DEALING WITH ENVIRONMENTAL PROBLEMS. IT CAN BE SEEN THAT THE CONGRESS IN MOST CASES HAS CHOSEN TO LEAVE THE DEVELOPMENT OF SPECIFIC LIMITS TO THE ADMINISTRATIVE AGENCIES SUCH AS EPA OR TO THE STATES. THE ONE EXCEPTION CITED ABOVE WAS IN THE CASE OF AUTOMOBILE EMISSIONS. MORE IMPORTANTLY, HOWEVER, ARE THE DIFFERENCES IN DISCRETION LEFT TO THE EPA OR THE UNCLASSIFIED

PAGE 06 STATE 090742

STATES IN ESTABLISHING SPECIFIC STANDARDS AMONG THE VARIOUS STATUTES. THESE DIFFERENCES ARE QUITE SIGNIFICANT IN DETERMINING THE DEGREE TO WHICH LOCAL CONDITIONS AND COST-BENEFIT CONSIDERATIONS CAN BE TAKEN INTO ACCOUNT IN DEVELOPING LIMITATIONS FOR SPECIFIC DISCHARGERS.

-- B. ADMINISTRATIVE ACTIONS

-- IN DISCUSSING THE ADMINISTRATIVE DIMENSION OF COST-BENEFIT CONSIDERATIONS IN U.S. ENVIRONMENTAL DECISION MAKING, SEVERAL POINTS NEED TO BE ADDRESSED. FIRST, IT IS WORTH MENTIONING BRIEFLY A FEW ADDITIONAL CONSTRAINTS ON DEVELOPMENT OF COST-BENEFIT TYPE DATA FOR ENVIRONMENTAL ISSUES. THEN A CLOSER EXAMINATION CAN BE MADE OF THE REGULATION DEVELOPMENT PROCESS. IN DOING THIS, PARTICULAR ATTENTION WILL BE PAID TO THE PROCEDURAL CHECKS AND BALANCES WHICH ARE AIMED AT INSURING THAT DATA LIMITATIONS ARE PROPERLY RECOGNIZED AND TAKEN INTO ACCOUNT.

-- 1. CONSTRAINTS

-- UP UNTIL THIS POINT, TWO MAJOR TYPES OF CONSTRAINTS ON THE USE OF A COST-BENEFIT APPROACH IN ENVIRONMENTAL DECISION MAKING HAVE BEEN DISCUSSED: DATA LIMITATIONS AND STATUTORY LIMITATIONS. IT IS IMPORTANT, HOWEVER, NOT TO LOSE SIGHT OF TWO OTHER CONSTRAINTS OF A MORE ADMINISTRATIVE NATURE WHICH ALWAYS SEEM TO BE PRESENT IN REGULATORY AGENCIES. THESE CONSTRAINTS ARE RESOURCES AND TIME. FOR EXAMPLE, THERE USUALLY ARE STATUTORY DEADLINES ASSOCIATED WITH MOST ENVIRONMENTAL LEGISLATION. THESE DEADLINES ESTABLISH COMPLIANCE DATES FOR PARTICULAR STANDARDS AND OFTEN SET ADDITIONAL DEADLINES FOR THE DEVELOPMENT OF SUCH STANDARDS. THUS, AN AGENCY SUCH AS EPA IS LIMITED IN THE AMOUNT OF DATA THAT CAN BE CONSIDERED DUE TO LIMITS ON THE AMOUNT OF TIME AVAILABLE TO DEVELOP AND ASSEMBLE DATA. IN ADDITION, EPA WORKS WITHIN BUDGETS WHICH ARE FIXED BY THE CONGRESS. THUS, ANOTHER MAJOR LIMITATION ON DATA AND ANALYSIS FOR SETTING ENVIRONMENTAL STANDARDS IS THE AMOUNT OF RESOURCES AVAILABLE FOR INTERNAL STAFF AND EXTERNAL CONSULTANTS.

UNCLASSIFIED

PAGE 07 STATE 090742

-- THESE CONSTRAINTS ON BOTH TIME AND RESOURCES ARE MOST SIGNIFICANT IN THE CASE OF BENEFITS DATA SINCE THIS USUALLY IS WHERE THE LEAST DATA ALREADY EXISTS AND WHERE THE MOST DIFFICULTY IS ENCOUNTERED IN DEVELOPING NEW DATA. SUFFICE IT TO SAY IN THIS REGARD THAT THE POLICY OF EPA IS TO TAKE ALL AVAILABLE COST-BENEFIT TYPE DATA INTO ACCOUNT IN ALL OF ITS DECISIONS TO THE EXTENT PERMITTED BY THE APPLICABLE LEGISLATION AND THE AGENCY'S LIMITED RESOURCES, ALTHOUGH, AS NOTED EARLIER, CURRENT LIMITATIONS ON BENEFITS DATA GENERALLY PROHIBIT DIRECT COMPARISONS OF COSTS AND BENEFITS IN QUANTITATIVE TERMS.

-- 2. REGULATION DEVELOPMENT

-- IN THE REGULATION DEVELOPMENT PROCESS AT THE ADMINISTRATIVE LEVEL, EVERY EFFORT IS MADE TO GUARD AGAINST THE MISUSE OF DATA AND, WHERE POSSIBLE, TO COMPENSATE FOR THE LACK OF PERFECT DATA. ALL EPA REGULATIONS AIMED AT IMPLEMENTATION OF ENVIRONMENTAL LEGISLATION PASSED BY THE CONGRESS GO THROUGH A COMPLEX SERIES OF INTRA-AGENCY WORKING GROUPS, INTERNAL REVIEWS, AND INTER-AGENCY REVIEWS. THIS SEQUENCE USUALLY OCCURS TWO TIMES FOR EVERY REGULATION, ONCE PRIOR TO PROPOSAL AND AGAIN PRIOR TO FINAL PROMULGATION OF A REGULATION. IN ADDITION, A PUBLIC COMMENT PERIOD IS USUALLY PROVIDED BETWEEN PROPOSAL AND PROMULGATION AND, IN SOME CASES, PUBLIC HEARINGS ARE HELD DURING THIS PERIOD.

-- THERE ARE SEVERAL REASONS FOR THESE STEPS, SUCH AS THE NEED TO CHECK THE ACCURACY OF THE ANALYSIS AND THE NEED FOR CLOSE COORDINATION BETWEEN RELATED PROGRAMS OF EPA AND OTHER AGENCIES AT THE FEDERAL, STATE AND LOCAL LEVELS. HOWEVER, A MAJOR AND OFTEN OVERLOOKED FUNCTION OF THIS PROCESS IS TO COMPENSATE FOR THE LACK OF COMPLETE INFORMATION CONCERNING THE CONSEQUENCES AND IMPORTANCE OF ENVIRONMENTAL REGULATIONS. THIS COMPENSATION OCCURS IN THREE FUNDAMENTAL WAYS. FIRST, BY ESTABLISHING INTRA-AGENCY WORKING GROUPS AND CONDUCTING EXTENSIVE REVIEWS, IT IS HOPED THAT PREVIOUSLY UNIDENTIFIED DATA CAN BE BROUGHT TO LIGHT. IT OFTEN IS THE CASE THAT SEVERAL OFFICES WITHIN EPA (E.G., AIR PROGRAMS, WATER PROGRAMS, UNCLASSIFIED

PAGE 08 STATE 090742

ENFORCEMENT, GENERAL COUNSEL, ETC.) WILL BE KNOWLEDGEABLE ABOUT VARIOUS ASPECTS OF A PARTICULAR ENVIRONMENTAL PROBLEM. HOWEVER, THE OFFICE WITH THE LEAD RESPONSIBILITY FOR DEVELOPING A REGULATION MAY NOT BE AWARE OF THE FULL SCOPE

OF DATA THAT IS AVAILABLE WITHIN OTHER PARTS OF THE AGENCY. THE WORKING GROUP CONCEPT IS AIMED AT OVERCOMING THIS PROBLEM. SIMILARLY, BY EXPOSING A PROPOSED REGULATION TO REVIEWS BY OTHER AGENCIES WITHIN THE GOVERNMENT

AND TO THE GENERAL PUBLIC, ADDITIONAL INFORMATION CAN BE GENERATED.

-- THE SECOND MAJOR WAY IN WHICH THE DEVELOPMENT PROCESS DEALS WITH THE DATA LIMITATION PROBLEM IS BY INSURING THAT AVAILABLE DATA IS PROPERLY HIGHLIGHTED AND THAT ALL RELEVANT ASPECTS OF AN ISSUE ARE EMPHASIZED. AGAIN, THE WORKING GROUP PLAYS A MAJOR ROLE IN THIS FUNCTION. HOWEVER, SIGNIFICANT CONTRIBUTIONS ALSO ARE MADE BY OTHER FEDERAL AGENCIES WHICH MIGHT BE MORE SENSITIVE TO THE RAMIFICATIONS OF A PARTICULAR REGULATION ON VARIOUS NON-ENVIRONMENTAL CONCERNS THROUGHOUT THE COUNTRY. EXAMPLES OF SUCH AGENCIES WOULD INCLUDE THE DEPARTMENT OF COMMERCE, THE FEDERAL ENERGY ADMINISTRATION, THE DEPARTMENT OF AGRICULTURE, AND THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE. SIMILAR CONTRIBUTIONS ARE MADE THROUGH REVIEWS MADE BY REPRESENTATIVES OF STATE AND LOCAL GOVERNMENT AGENCIES.

-- THE THIRD FUNCTION OF THE WORKING GROUP AND REVIEW PROCESS WITHIN EPA HAS TO DO WITH THE ACTUAL DECISION MAKING STEP ITSELF. AS MENTIONED EARLIER, A MAJOR PROBLEM IN MAKING DECISIONS ON ENVIRONMENTAL ISSUES LIES IN THE INABILITY OF ANALYSTS TO CONVERT COSTS AND BENEFITS (ASSUMING THEY CAN BE IDENTIFIED) INTO COMPARABLE QUANTITATIVE MEASURES. THIS STEP INVOLVES A VALUATION PROCESS WHICH SIMPLY IS NOT POSSIBLE WHEN DEALING WITH PROBLEMS OF HUMAN HEALTH AND ECONOMIC WELFARE. THIS PROCESS INVOLVES A BALANCING OF VALUES WHICH, GIVEN OUR LIMITED ABILITY TO QUANTIFY BENEFITS IN TERMS COMPARABLE WITH COSTS, IS MORE THE SUBJECT OF POLICY THAN ANY KIND OF QUANTITATIVE ANALYSIS. THUS, BY SUBJECTING A PROPOSED REGULATION TO PUBLIC UNCLASSIFIED

PAGE 09 STATE 090742

REVIEW AND COMMENT AND TO THE SCRUTINY OF VARIOUS INTEREST GROUPS IT IS HOPED THAT AN INDICATION OF THE SOCIAL SIGNIFICANCE OF THE IMPACTS OF THE REGULATION CAN BE OBTAINED. ON THE BASIS OF THIS FEEDBACK AND IN LIGHT OF THE AVAILABLE QUANTITATIVE DATA THE ADMINISTRATOR OF EPA MUST MAKE A FINAL DECISION.

-- OBVIOUSLY, THE SUCCESS OF THIS PROCEDURE RELIES ON THE ABILITY OF EPA TO OBTAIN A BALANCED SET OF COMMENTS AND REACTIONS REGARDING A PARTICULAR REGULATION. FURTHERMORE, THE QUALITY OF EXTERNAL COMMENT AND PARTICIPATION IN THIS PROCESS IS HIGHLY DEPENDENT ON THE CLARITY WITH WHICH ALL AVAILABLE DATA AND ANALYSIS ARE PRESENTED AND EX-

PLAINED BY EPA PRIOR TO THE PUBLIC COMMENT PERIOD. NONE-THELESS, IN MOST CASES, GIVEN THE LIMITATIONS OF AVAILABLE ANALYTICAL TECHNIQUES, TIME AND RESOURCES, THIS PROCESS IS FELT TO BE THE MOST VIABLE MEANS OF DEALING WITH THE

VALUATION PROBLEM SO OFTEN ENCOUNTERED IN ENVIRONMENTAL ISSUES.

#### CONCLUSIONS

-- BEFORE CONCLUDING THIS DISCUSSION IT IS ONLY PROPER TO RECOGNIZE THAT THE TOPIC OF ENVIRONMENTAL DECISION MAKING IS MUCH TOO BROAD AND COMPLEX TO DEAL WITH DEFINITELY IN SUCH BRIEF COMMENTS. RATHER, THE OBJECTIVE HAS BEEN TO PRESENT A SHORT BUT HOPEFULLY BALANCED VIEW OF THE PROBLEM AND THE WAYS IN WHICH THE UNITED STATES HAS ATTEMPTED TO DEAL WITH IT. WITH THIS POINT IN MIND, IT MAY BE SAFE TO DRAW A FEW SUMMARY CONCLUSIONS AT THIS TIME.

-- FIRST, THERE SEEMS TO BE LITTLE ROOM TO DISPUTE THE PROPOSITION THAT, IDEALLY, COST AND BENEFITS SHOULD BE TAKEN INTO ACCOUNT IN DEALING WITH ENVIRONMENTAL ISSUES. THIS IS AN ARGUMENT THAT CAN BE MADE ON CONCEPTUAL GROUNDS INDEPENDENT OF DATA CONSIDERATION OR ANALYTICAL TECHNIQUES.

-- SECOND, WHILE SUBJECT TO MORE DEBATE, THERE ALSO UNCLASSIFIED

PAGE 10 STATE 090742

SEEMS TO BE LITTLE DOUBT THAT METHODOLOGICAL AND DATA CONSTRAINTS AND LIMITATIONS OF TIME AND RESOURCES GENERALLY MAKE IT IMPOSSIBLE IN MOST, IF NOT ALL, CASES TO EMPLOY RIGOROUS COST-BENEFIT ANALYSIS IN ENVIRONMENTAL DECISION MAKING.

-- THIRD, AS A CONSEQUENCE OF THE ABOVE CONCLUSIONS, IT BECOMES NECESSARY IN DEALING WITH MANY ENVIRONMENTAL PROBLEMS TO RELY ON SUBOPTIMAL APPROACHES. AN EXAMPLE IS THE USE OF UNIFORM TECHNOLOGY-BASED EFFLUENT STANDARDS IN ORDER TO AVOID THE ADMINISTRATIVE PROBLEMS OF ESTABLISHING CAUSE-EFFECT RELATIONSHIPS BETWEEN INDIVIDUAL POLLUTION SOURCES AND AMBIENT WATER QUALITY.

-- FOURTH, AGAIN AS A CONSEQUENCE OF THE ABOVE CONCLUSIONS ON DATA AND ANALYTICAL CONSTRAINTS, IT IS NECESSARY TO RELY PARTIALLY ON NONQUANTITATIVE AND NONANALYTICAL METHODS TO DECISION MAKING. IN THE U.S. THIS HAS BEEN DONE THROUGH THE USE OF A SERIES OF REVIEW STEPS THAT ELICIT COMMENTS AND REACTIONS FROM A VARIETY OF GOVERNMENT AGENCIES AND INTEREST GROUPS AS WELL AS THE PUBLIC AT LARGE. MOST IMPORTANTLY, WHILE ANALYTICAL TECHNIQUES AND



DECISION THEORY CAN HELP IN ORGANIZING AVAILABLE DATA AND HIGHLIGHTING UNCERTAINTIES, FINAL DECISIONS ON ENVIRONMENTAL ISSUES MUST RELY ON THE JUDGMENT OF GOVERNMENT DECISION MAKERS, WHICH IN TURN MUST BE TEMPERED BY KNOWLEDGE

OF THE OPINIONS AND PREFERENCES OF THE AFFECTED GROUPS WITHIN SOCIETY.

--- FINALLY, IT WOULD NOT BE PROPER TO LEAVE THE IMPRESSION THAT WE BELIEVE THE APPROACHES SUGGESTED BY THE U.S. EXAMPLE ARE BEYOND IMPROVEMENT. ADMITTEDLY, THE SEVERITY OF POLLUTION PROBLEMS IN MANY COUNTRIES AND THE NECESSITY TO AVOID HEALTH RELATED ENVIRONMENTAL RISK MAKE IT NECESSARY IN MANY CASES TO TAKE REGULATORY ACTION EVEN IN THE ABSENCE OF COMPLETE INFORMATION. NONETHELESS, CONTINUED ANALYSIS AND EXPENDITURES OF FUNDS ON ENVIRONMENTAL RESEARCH IS CERTAINLY NECESSARY. SUCH EFFORTS CAN LEAD TO IMPROVED INFORMATION WHICH CAN BE USED TO ADJUST REGULATORY STRATEGIES IN THE FUTURE. THE CONTINUED IMPROVEMENT

UNCLASSIFIED

PAGE 11 STATE 090742

OF ENVIRONMENTAL DATA AND DECISION MAKING TECHNIQUES SHOULD BE THE OBJECTIVE NOT ONLY OF GOVERNMENT OFFICIALS BUT OF THE PRIVATE SECTOR, UNIVERSITY RESEARCH, AND THE GENERAL PUBLIC AS WELL.

-- ACCORDINGLY, THE COMMITTEE ON THE CHALLENGES OF MODERN SOCIETY MUST CONTINUE TO EXPAND ITS ROLE OF INSURING THAT NEW DATA AND ANALYTICAL TECHNIQUES AIMED AT IMPROVING ENVIRONMENTAL DECISION MAKING ARE QUICKLY COMMUNICATED INTERNATIONALLY. THE ENVIRONMENTAL PROBLEMS WE EACH FACE ARE OF SUCH A MAGNITUDE AS TO REQUIRE CLOSE AND EFFECTIVE COOPERATION BETWEEN ALL COUNTRIES. (END TEXT OF SECTION II).

KISSINGER

UNCLASSIFIED

<< END OF DOCUMENT >>

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 15 SEP 1999  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLICIES, ENVIRONMENT, MEETINGS, PUBLIC ADMINISTRATION, NATIONAL HEALTH SERVICE, SOCIAL SERVICES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 15 APR 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976STATE090742  
**Document Source:** ADS  
**Document Unique ID:** 00  
**Drafter:** EPA/PM:SDAVIS;JBUTLER  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** n/a  
**Film Number:** D760143-0476  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t197604115/baaaeont.tel  
**Line Count:** 473  
**Locator:** TEXT ON-LINE, TEXT ON MICROFILM  
**Office:** ORIGIN EPA  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 9  
**Previous Channel Indicators:**  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** oatisao  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 30 JUN 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <30 JUN 2004 by SilvaL0>; APPROVED <03 SEP 2004 by oatisao>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CCMS: APRIL 27-28 PLENARY - US ROUND  
**TAGS:** SENV, US, CCMS  
**To:** ALL NATO CAPITALS INFO OECD PARIS  
GENEVA  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006